23 July 2020 - 6:30 a.m.

2020 Half-year Sales and Results

A BETTER SECOND QUARTER THAN EXPECTED IN A CONTEXT OF GENERALIZED CRISIS

Consolidated financial results (€m)	H1 2019	H1 2020	Change 2020/2019	Q2 2020	Change 2020/2019
Sales	3,337	**2,914**	**-12.7%** **-12.6% LFL**	**1,460**	**-9.5%** **-8.4% LFL**
Operating Result from Activity (ORfA)	230	**103**	**-55%**	**86**	**-6.3%**
Operating profit	213	**58**	**-72.8%**		
Profit attributable to owners of the parent	100	**3**	**-€97m**		
Net debt at 06/30	2,428	**2,085**	**-€343m**		

% calculated in non-rounded figures

Statement by T. de La Tour d'Artaise, Chairman and CEO of Groupe SEB

"Against a health backdrop having heavily impacted the retail industry and disrupted consumption, the results of the first-half 2020, with a better-than-expected second quarter, reflect the resilience and the agility of the Group, as well as the strong commitment of all our teams.

During the first half, despite the headwinds we faced due to the Covid-19 pandemic, the Group continued steadfastly to pursue development projects and the second quarter was resolutely one of solidarity and responsibility: solidarity towards our teams through various HR initiatives to mitigate the impacts of the crisis and responsibility through the production of the MakAir artificial respirator.

On top of stakes taken in new green businesses (Angell, Castalie, IEVA), we invest today in StoreBound. This acquisition will both strengthen our footprint in the United States and allow synergies in terms of digital community activation as StoreBound has developed over the past eight years the largest digital community of our industry in the United States.

The sanitary uncertainties and their macroeconomic consequences still persist; we remain cautious but confident in the strength of our strategic business model, well-balanced geographically, multi-channel and driven by a social and environmental responsible approach."

THE UNIQUE COVID-19 BACKDROP

The first half of 2020 was marked by the spread of the COVID-19 epidemic which began in Wuhan, China, before spreading first to Asia and then to the rest of the world with major outbreaks in Europe, followed by the American continent. Faced with this unprecedented health crisis, impacting all areas of the economy, most countries imposed more or less strict lockdown measures, which, in particular, led to the closure of public places, hotels and restaurants as well as most physical non-food stores. Against this backdrop, consumer spending declined sharply in all geographies, with an important shift to e-commerce.

Throughout the crisis, and now as ever, the Group's priority has been to ensure the health and safety of its employees in all of its industrial sites, warehouses, offices, commercial subsidiaries and stores.

Regarding our industrial operations, the Group had to temporarily close most of its factories, in China from January, then in France, Germany, the US, Brazil, Colombia, etc. This uneven production level over the first half caused a major under-utilization of capacity and periodic stock-outs, but all of the Group's industrial facilities - 42 sites – have now returned to normal production levels, while also complying with health protocols.

Early-hit by the pandemic owing to its presence in China, on several occasions, Groupe SEB provided updates of the impact of Covid-19 on its business activity and performance throughout the first half. This detailed and regular newsflow is available on: www.groupeseb.com.

GENERAL COMMENTS ON GROUP SALES

Against the weakened backdrop, first-half 2020 sales came to **€2,914m**, **down 12.7%** versus end-June 2019, including **a 12.6% decline like-for-like** (-€420m), a negative currency impact of -0.6% (-€20m) and change in the scope of consolidation accounting for +0.5% (+€17m; Wilbur Curtis over around one month and Krampouz over six months).

This marked and unprecedented drop in our sales stems from our two business divisions, with particularly volatile trends over the period.

The **10.6% like-for-like decline in sales for the Consumer business** can be directly attributable to containment measures and closures of non-food stores in most countries. It is the result of a 17.3% decrease in the first quarter, followed by a much more moderate contraction of 3.2% in the second. Having reached a low in April, the gradual lift of lockdown restrictions from mid-May and the marked rebound in business in June, particularly in the EMEA region and in China, drove this improved trend.

Sales for the Professional business suffered a 27.6% drop, like-for-like, at end-June, directly linked to the widespread closure of the hotel and restaurant industry, moreover on demanding comparatives. The total shutdown of operations for the vast majority of our customers from mid-March led to a fall in Group sales of 43.4% in the second quarter, after a contraction of 9.7% over the first three months of the year.

DETAIL OF REVENUE BY REGION – 1st HALF-YEAR

Revenue (€m)	H1 2019	H1 2020	Change 2020/2019		Q2 2020 Like-for-like
			As reported	Like-for-like*	
EMEA	**1,401**	**1,272**	**-9.2%**	**-9.0%**	**-7.5%**
Western Europe	1,033	915	-11.4%	-11.5%	-8.3%
Other countries	368	357	-3.0%	-1.9%	-5.2%
AMERICAS	**362**	**298**	**-17.8%**	**-13.3%**	**-17.4%**
North America	224	209	-6.6%	-6.9%	-6.7%
South America	138	89	-35.9%	-23.7%	-35.3%
ASIA	**1,182**	**1,039**	**-12.1%**	**-11.6%**	**+7.6%**
China	938	794	-15.3%	-14.4%	+10.2%
Other countries	244	245	+0.1%	-0.9%	-0.3%
TOTAL Consumer	**2,946**	**2,608**	**-11.4%**	**-10.6%**	**-3.2%**
Professional business	**391**	**306**	**-21.7%**	**-27.6%**	**-43.4%**
GROUPE SEB	**3,337**	**2,914**	**-12.7%**	**-12.6%**	**-8.4%**

**Like-for-like: at constant exchange rates and scope* *Rounded figures in €m* *% calculated in non-rounded figures*

SALES BY REGION

Revenue (€m)	H1 2019	H1 2020	Change 2020/2019 As reported	Change 2020/2019 Like-for-like	Q2 2020 LFL
EMEA	**1,401**	**1,272**	**-9.2%**	**-9.0%**	**-7.5%**
Western Europe	1,033	915	-11.4%	-11.5%	-8.3%
Other countries	368	357	-3.0%	-1.9%	-5.2%

WESTERN EUROPE

Impacted by government containment measures, Group sales in Western Europe suffered an organic decline of 11.5% at end-June, with extreme volatility over the first half. After a drop of almost 15% LFL at end-March, the 8.3% decrease in the second quarter in fact masks a huge volatility between April's low point (-50%) and the rebound in June (+45%), likely thanks to "catch-up" spending. Business activity was also marked by heterogeneous situations depending on the strictness of the containment measures in each country in the region, as well as decisions on store closures.

in France, our sales were down only modestly in the second quarter thanks to a loyalty program in cookware with one of our key accounts. Despite a good performance in June, small electrical appliance sales were nevertheless down sharply. In Germany, the Group generated flat sales in the second quarter, with solid momentum in June, driven by fan sales, and very buoyant online business (in particular WMF).

Other Western European countries experienced contrasting impacts from the crisis. Spain, Italy, the UK and Norway were the hardest hit. Conversely, Denmark, Sweden and Belgium held up fairly well.

Fairly generally, strong online sales momentum which prevailed during the lockdown continued afterwards. In addition, in June, our main physical retailers started to rebuild inventories. "Winning" products over this exceptional period are linked to the kitchen (cookware and electrical cooking, notably), and also include fans, which benefited from strong pre-season sales and low inventories following the 2019 season.

OTHER EMEA COUNTRIES

Also impacted by the epidemic as from mid-March, the region proved relatively resilient in the first half, with a limited 2% contraction in business activity in organic terms. This included a slightly positive first quarter performance and a 5.2% like-for-like decline in the second quarter. The strong catch-up seen in June (at some +30% versus June 2019), almost fully offset the severe drop in business in April (-40 %). Sharply accelerated momentum of online sales, combined with the reopening of stores, drove business activity.

However, performances at end-June were highly mixed by geography. This was notably true in Central Europe, where contrasts were particularly significant and revenue decrease often due to the non-repeat in 2020 of 2019 loyalty programs.

Russia and Ukraine posted good overall performances, though volatile in the second quarter. More specifically, Russia ended the six-month period on a positive growth trend despite containment measures, thanks the speed-up of its online sales, fueled by major digital activations implemented in partnership with our retailers.

In contrast, in Turkey, heavily impacted by the epidemic, revenue was significantly down at the end of the second quarter. Against a still difficult economic backdrop (including currency issues), the partial lift of lockdown in June failed to offset the contraction in business in April and May.

Across the entire region, the more resilient products were Optigrill, versatile and robot vacuum cleaners, garment steamers and Ingenio cookware.

Revenue (€m)	H1 2019	H1 2020	Change 2020/2019		Q2 2020 LFL
			As reported	Like-for-like	
AMERICAS	**362**	**298**	**-17.8%**	**-13.3%**	**-17.4%**
North America	224	209	-6.6%	-6.9%	-6.7%
South America	138	89	-35.9%	-23.7%	-35.3%

NORTH AMERICA

The approximate 7% dip in revenue LFL in the first half of the year reflects the impact of the COVID-19 epidemic from March onwards, with a worsening of the health crisis in the second quarter, particularly in the United States and Mexico. The sales decrease also comprises contrasting trends across countries, the second quarter featuring heightened divergences.

In the United States, the economic situation has grown more tense over the months, materializing notably in a strong rise in unemployment. Physical distribution, a part of which was already fragilized, was paralyzed by the closure of numerous stores due to the crisis and was significantly impacted, while the momentum in e-commerce has gained considerable pace.

Despite the weak economic environment, the Group's business activity held up well over the period, even posting organic growth in the second quarter. The latter was driven by solid performances in cookware (T-fal, All-Clad, Imusa) in all open retail channels, benefiting from the government's consumption incentive program and increased interest in cooking during the lockdown period. In contrast, linen care sales fell sharply. However, the expanded distribution of Rowenta irons and garment steamers allowed the Group to outperform a highly depressed market.

Business activity in Canada declined in a practically linear fashion in the first six months, the result of a complicated market, the still limited presence of e-commerce, and ongoing pending decisions on product listing by one of our long-standing customers.

In Mexico, the substantial drop in our half-yearly sales stemmed from the spread of COVID-19 since mid-March, with a considerable impact on physical retail (the proportion of e-commerce remaining limited) and on demand.

SOUTH AMERICA

At end-June, sales in South America were down 36%, of which -24% like-for-like. The sharp depreciation in currencies (Brazilian real and Colombian, Argentine and Chilean pesos) costs us nearly 12 growth points, mainly in the second quarter. The latter was down 49%, of which 35% like-for-like, reflecting a significant deterioration in business activity, combined with the impacts of countries' different measures to fight the spread of COVID-19.

Most of the decrease came from Brazil, the main country in the region. Business activity declined substantially in April and May, a period in which the network of physical retailers was almost completely shut down and our factories were closed. In what remains a fragile environment, restocking on the part of retailers and the reopening of our plants helped the Group to mitigate downward trend in June, thanks notably to e-commerce that continued to enjoy strong momentum.

Excluding coffee (Dolce Gusto partnership) and electrical cooking (oil-less fryers), the downturn in the second quarter applied to all the product lines.

Colombia, our second-largest market in South America, proved more resilient, posting much stronger catch-up in June. The Group continued to capitalize on the power and recognition of the Imusa brand in the country, and also continued to speed-up its e-commerce sales.

Revenue (€m)	H1 2019	H1 2020	Change 2020/2019		Q2 2020 LFL
			As reported	Like-for-like	
ASIA	**1,182**	**1,039**	**-12.1%**	**-11.6%**	**+7.6%**
China	938	794	-15.3%	-14.4%	+10.2%
Other countries	244	245	+0.1%	-0.9%	-0.3%

CHINA

China, the Group's number-one market, was the first country to be affected by the COVID-19 epidemic. After a first quarter substantially impacted by widespread containment measures and a near-total economic shutdown, the situation has gradually improved in the last three months.

Physical points of sale have reopened and footfall, while initially modest, has gradually increased. But business continues to be fueled for the most part by e-commerce, which has largely maintained the advances achieved during the confinement period.

Our half-year turnover, down 14% in organic terms, comprises two opposite dynamics, with a 32% fall in the first quarter and a 10% rise in the second. The acceleration took concrete form from May onwards. Beyond the more widespread reopening of stores, Supor posted solid sales ahead of the 618 Shopping festival in June, which proved a considerable sales success. Supor's great performance throughout the 18-day event can be attributed to solid digital marketing activation and robust product dynamic.

The rebound was driven by small domestic appliances, and in particular by kitchen electrics (including high-speed blenders, baking pans and multi-cookers) and vacuum cleaners. Cookware sales improved substantially relative to end-March, but remained penalized in the first half, a result, mainly, of the extended closure of the Wuhan production site.

Also of note, all of our plants in China have resumed production and are operating at full capacity.

OTHER COUNTRIES

In Asia excluding China, like-for-like sales at end-June were slightly down, following a second quarter that was more favorably oriented that the first one. However, situations remain quite contrasted across countries.

In the main country of the region, Japan, revenue contracted in the second quarter, against a backdrop of national health emergency. While kettles performed firmly and multicookers continued their overall solid development throughout the quarter driven by the launch of new products, the cookware and linen care businesses proved more complicated.

In South Korea, which was early hit by COVID-19, the negative effects at end-March were almost entirely offset by strong recovery in the second quarter thanks to strong performance of Electrical Cooking and Beverage. Solid momentum was primarily driven by the successful launch of the Beertender draught beer system and oil-less fryers. E-commerce, hypermarkets and our own retail were the main drivers of robust sales growth.

In the other countries, our second-quarter performances were highly mixed: growth in Australia and Thailand; solid momentum in Hong Kong and Taiwan; in contrast, significant decline in Singapore, where the confinement was extended.

COMMENTS ON PROFESSIONAL BUSINESS

Revenue (€m)	H1 2019	H1 2020	Change 2020/2019		Q2 2020 LFL
			As reported	LFL	
Professional business	**391**	**306**	**-21.7%**	**-27.6%**	**-43.4%**

The Group's Professional business was strongly impacted in first-half 2020 by the spread of COVID-19. The shockwaves caused by the epidemic were reflected from mid-March onwards by containment measures which affected half the world's population and the near-total closure of restaurants and fast food chains, cafés and coffee shops, and hotels.

Against this backdrop, like-for-like sales at June 30, 2020 were down approximately 28% subsequent to a particularly impacted second quarter, down 43%. Sales of professional coffee machines (PCM), constituting the largest part of business activity, accounted for the lion's share of the downturn, on the base of high 2019 comparatives. The extended shutdown of the main PCM customer retailers has led to delivery suspensions, the postponement of investment projects, and delayed or reduced orders in all the large markets (including Germany, the United States, China, etc.).

Hotel equipment, which is largely based on contracts, was hit even harder in the second quarter, but accounts for a lesser share of Professional business.

OPERATING RESULT FROM ACTIVITY (ORfA)

Significantly impacted by the effects of the COVID-19 crisis on business activity, Operating Result from Activity (ORfA) totaled **€103 million** in first-half 2020, compared with €230 million at end-June 2019. The total includes a currency effect of -€24 million and a scope effect of +€2 million (Wilbur Curtis and Krampouz). On a like-for-like basis, ORfA came out at **€125 million.**

The constituent items of the change in ORfA at end-June 2020 are as follows:

- A negative volume effect of €134 million, stemming directly from the decrease in sales;
- A price-mix effect of -€26 million, reflecting difficult markets and a strong promotional intensity;
- A €24 million increase in the cost of sales, including a positive impact of renegotiated purchases and a negative impact of a reduced manufacturing activity. The latter led to an under-absorption of fixed costs which has only been partially offset by short-time work measures;
- A €50 million reduction in growth drivers in a market environment calling for lower investment and a reallocation to digital;
- A €29 million decrease in sales, marketing and administrative expenses, most of which coming in the second quarter, due to both the responsiveness of the teams on cost reduction and the aid received as part of short-time work measures, notably in France.

The decline in Operating Result from Activity at end-June can be attributed mainly to the first quarter (ORfA of €18 million vs. €138 million in 2019), in which measures to counter the impacts of the crisis either had not yet been implemented or had not yet had an effect. Second quarter ORfA came out at **€86 million**, a limited decrease of 6.3% on 2019, reflecting the savings already achieved.

OPERATING PROFIT AND NET PROFIT

At end-June 2020, the Group's operating profit amounted to **€58 million,** compared with €213 million at June 30, 2019. This result includes an estimated employee profit-sharing expense of €5 million (€9 million in 2019) and other operating income and expenses of -€40 million, versus -€8 million in the first half of last year. These expenses are stemming equally from the restructuring of the WMF Consumer business (impairment of industrial assets, social costs) and from several items of modest amounts.

Net financial expense at June 30, 2020 came out at -€29 million, compared with -€46 million in first-half 2019. The improvement reflects both a decrease in the cost of debt and other financial expenses relative to June 30, 2019.

In these circumstances, profit attributable to owners of the parent totaled **€3 million** in the first half, compared with €100 million at end-June 2019. This comes after a tax charge of €7 million, based on an estimated effective tax rate of 25% and after minority interests of €19 million, compared to €27 million in the first half of 2019, in line with the decrease in Supor's results in China.

FINANCIAL STRUCTURE AT JUNE 30,2020

Consolidated equity at June 30, 2020, was **€2,499 million**, down €129 million from end-2019 and up €176 million from June 30, 2019.

At the same date, the Group's net debt stood at €2,085 million (including €306 million of IFRS 16 debt), down €343 million vs. June 30, 2019 on a comparable seasonal basis, and up slightly from December 31, 2019 (+€88 million). The increase mainly stems from non-operational items, including the payment of dividends, Supor’s own share repurchase, SEB Alliance investments, paid restructurings, etc. Capital expenditures were stable in the first half compared with the same period in 2019, as was the working capital requirement relative to end-2019.

At June 30, 2020, the Group’s debt ratio stood at **0.8** (0.7 excluding IFRS 16) and the net debt/adjusted EBITDA ratio at **2.5** (2.2 excluding IFRS 16), in line with the seasonal nature of activity. The Group relies on a stable financial base, underpinned by a healthy and well-balanced financing structure in terms of instruments and maturity, and free of *financial* covenants.

OUTLOOK

Given the seasonal nature of the Consumer business, the first half of the year is traditionally not representative of the entire year.

Additionally, the first six months of the year have been heavily disrupted by the effects of an unprecedented health crisis on the global economy.

In a highly volatile environment, the Group posted a better than expected second quarter, both in terms of sales and Operating Result from Activity.

However, at this stage, major uncertainties remain as to how the recovery will play out, especially considering the continued severity of the health crisis in the Americas and the resurgence of the epidemic in some countries, leading to the reintroduction of containment measures. This limited visibility and these issues lead the Group to remain cautious and not to extrapolate to the coming months the improvement seen in the end of the second quarter in the Consumer activity. Depending on the evolution of consumption in the second half, the Group could over-invest in growth drivers to fuel growth and prepare for 2021.

Regarding the Professional Coffee business, we expect sales to remain disrupted in the second half consequently to the near-total and extended closure of the hospitality and catering sector. It is indeed likely that some of our customers have to adjust the envelop or timing of their investments, hence delaying orders.

Furthermore, recent currencies variations lead us to foresee negative currency effects on Operating Result from Activity that could range between €-70m to €-90m. Raw materials should however have a slightly positive impact.

Given these circumstances, Groupe SEB is confirming that it is not possible at this stage to precisely quantify the impacts of COVID-19 on the year as a whole, but that revenue and Operating Result from Activity will fall significantly in 2020.

Looking beyond this atypical year 2020, the Group reaffirms its confidence in its solid and well-balanced business model that enables it to maintain its long-term strategy and navigate the current crisis smoothly.

Groupe SEB's company and consolidated financial statements at June 30, 2020, were approved by the Board of Directors' meeting held on July 22, 2020.

CONSOLIDATED INCOME STATEMENT

(in € millions)	30/06/2020 6 months	30/06/2019 6 months	31/12/2019 12 months
Revenue	2,914.4	3,336.6	7,353.9
Operating expenses	(2,811.0)	(3,106.8)	(6,614.1)
OPERATING RESULT FROM ACTIVITY	**103.4**	**229.8**	**739.8**
Statutory and discretionary employee profit-sharing*	(5.0)	(9.0)	(37.2)
RECURRING OPERATING PROFIT	**98.4**	**220.8**	**702.6**
Other operating income and expense	(40.2)	(8.2)	(82.1)
OPERATING PROFIT	**58.2**	**212.6**	**620.5**
Finance costs	(16.5)	(20.9)	(41.1)
Other financial income and expense	(12.2)	(24.9)	(19.6)
Share of profits of associates	0.0	0.0	
PROFIT BEFORE TAX	**29.5**	**166.8**	**559.8**
Income tax expense	(7.4)	(40.2)	(131.5)
PROFIT FOR THE PERIOD	**22.1**	**126.6**	**428.3**
Non-controlling interests	(19.4)	(26.6)	(48.6)
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	**2.7**	**100.0**	**379.7**
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT PER SHARE (IN UNITS)			
Basic earnings per share	**0.05**	**2.01**	**7.63**
Diluted earnings per share	**0.05**	**2.00**	**7.58**

** Including 2019 employee share ownership plan expenses*

BALANCE SHEET

ASSETS *(in € millions)*	30/06/2020	30/06/2019	31/12/2019
Goodwill	1,642.6	1,614.9	1,611.3
Other intangible assets	1,259.7	1,249.1	1,261.9
Property, plant and equipment	1,189.4	1,225.8	1,248.0
Investments in associates			-
Other investments	87.0	54.3	100.4
Other non-current financial assets	19.0	14.7	38.6
Deferred tax assets	95.7	108.9	96.3
Other non-current assets	48.2	50.7	58.0
Long-term derivative instruments - assets	6.3	6.2	3.4
NON-CURRENT ASSETS	**4,347.9**	**4,324.6**	**4,417.9**
Inventories	1,194.0	1,308.0	1,189.1
Trade receivables	860.5	984.3	1,159.7
Other receivables	135.9	146.6	175.1
Current tax assets	51.9	42.9	57.4
Short-term derivative instruments - assets	39.1	31.9	20.5
Financial investments and other financial assets	47.4	74.7	10.2
Cash and cash equivalents	1,746.3	588.2	785.5
CURRENT ASSETS	**4,075.1**	**3,176.6**	**3,397.5**
TOTAL ASSETS	**8,423.0**	**7,501.2**	**7,815.4**

EQUITY & LIABILITIES *(in € millions)*	30/06/2020	30/06/2019	31/12/2019
Share capital	50.3	50.2	50.3
Reserves and retained earnings	2,237.0	2,110.7	2,395.1
Treasury stock	(18.8)	(53.9)	(52.8)
Equity attributable to owners of the parent	**2,268.5**	**2,107.0**	**2,392.6**
Non-controlling interests	**230.3**	**216.4**	**234.9**
CONSOLIDATED SHAREHOLDERS' EQUITY	**2,498.8**	**2,323.4**	**2,627.5**
Deferred tax liabilities	242.2	227.2	222.3
Employee benefits and other long-term provisions	340.4	356.9	339.5
Long-term borrowings	2,638.2	2,337.6	2,301.8
Other non-current liabilities	52.5	59.6	55.2
Long-term derivative instruments – liabilities	19.4	26.2	17.1
NON-CURRENT LIABILITIES	**3,292.7**	**3,007.5**	**2,935.9**
Employee benefits and other short-term provisions	106.1	78.1	107.8
Trade payables	853.2	932.1	1,044.8
Other current liabilities	415.2	371.8	527.6
Current tax liabilities	1.8	33.4	74.1
Short-term derivative instruments – liabilities	16.8	30.7	27.1
Short-term borrowings	1,238.4	724.2	470.6
CURRENT LIABILITIES	**2,631.5**	**2,170.3**	**2,252.0**
TOTAL EQUITY AND LIABILITIES	**8,423.0**	**7,501.2**	**7,815.4**

APPENDIX

REVENUE BY REGION – 2ND QUARTER

Revenue (€m)	Q2 2019	Q2 2020	Change 2020/2019 As reported	Change 2020/2019 LFL*
EMEA	**690**	**631**	**-8.5%**	**-7.5%**
Western Europe	515	472	-8.3%	-8.3%
Other countries	175	159	-9.2%	-5.2%
AMERICAS	**194**	**149**	**-23.1%**	**-17.4%**
North America	121	112	-7.8%	-6.7%
South America	73	37	-48.6%	-35.3%
ASIA	**523**	**556**	**+6.4%**	**+7.6%**
China	396	429	+8.3%	+10.2%
Other countries	127	127	+0.4%	-0.3%
TOTAL Consumer	**1,407**	**1,336**	**-5.0%**	**-3.2%**
Professional business	**208**	**124**	**-40.3%**	**-43.4%**
GROUPE SEB	**1,615**	**1,460**	**-9.5%**	**-8.4%**

**Like-for-like: at constant exchange rates and scope* *Rounded figures in €m* *% calculated in non-rounded figures*

On a like-for-like basis (LFL) – Organic

The amounts and growth rates at constant exchange rates and consolidation scope in a given year compared with the previous year are calculated:

- using the average exchange rates of the previous year for the period in consideration (year, half-year, quarter);
- on the basis of the scope of consolidation of the previous year.

This calculation is made primarily for sales and Operating Result from Activity.

Operating Result from Activity (ORfA)

Operating Result from Activity (ORfA) is Groupe SEB's main performance indicator. It corresponds to sales minus operating expenses, i.e. the cost of sales, innovation expenditure (R&D, strategic marketing and design), advertising, operational marketing as well as sales and marketing expenses. ORfA does not include discretionary and non-discretionary profit-sharing or other non-recurring operating income and expense.

Adjusted EBITDA

Adjusted EBITDA is equal to Operating Result from Activity minus discretionary and non-discretionary profit-sharing, to which are added operating depreciation and amortization.

Free cash flow

Free cash flow corresponds to the "cash from operating activities" item in the consolidated cash flow statement, adjusted for non-recurring transactions with an impact on the Group's net debt (for example, cash outflows related to restructuring) and after taking account of recurring investment (CAPEX).

SDA

Small Domestic Appliances: Kitchen Electrics, Home and Personal Care

Net financial debt

This term refers to all recurring and non-recurring financial debt minus cash and cash equivalents, as well as derivative instruments linked to Group financing. It also includes debt from application of the IFRS 16 standard "Leases" in addition to short-term investments with no risk of a substantial change in value but with maturities of over three months.

Loyalty program (LP)

These programs, run by distribution retailers, consist in offering promotional offers on a product category to loyal consumers who have made a series of purchases within a short period of time. These promotional programs allow distributors to boost footfall in their stores and our consumers to access our products at preferential prices.

Watch the live webcast and presentation at 10:00 p.m. CET
on our website: www.groupeseb.com or click here

Next key dates - 2020

October 26 | after market closes	9-month 2020 sales and financial data

Investor/Analyst Relations

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World reference in small domestic equipment, Groupe SEB operates with a unique portfolio of more than 30 top brands including Tefal, Seb, Rowenta, Moulinex, Krups, Lagostina, All-Clad, WMF, Emsa, Supor, marketed through multi-format retailing. Selling more than 360 million products a year, it deploys a long-term strategy focused on innovation, international development, competitiveness and service to clients. Present in over 150 countries, Groupe SEB generated sales of €7.3 billion in 2019 and has more than 34,000 employees worldwide.

SEB SA
SEB SA – N° RCS 300 349 636 RCS LYON – with a share capital of €50,307,064 – Intracommunity VAT: FR 12300349636